This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS THE HAGUE 001650

SIPDIS

SENSITIVE

STATE FOR SNIS, NP/SC, EUR/ERA, EUR/WST

E.O. 12958: N/A TAGS: <u>ENRG</u> NL <u>EUN</u>

SUBJECT: THE DUTCH ON EU FOSSIL FUEL GRANTS

REF: STATE 96084

THIS MESSAGE IS SENSITIVE BUT UNCLASSIFIED - PLEASE PROTECT.

(SBU) Dutch MFA Ukraine deskoff Hans Schutte and Energy, Research and Technology Division Chief Jan Huber (please protect both) provided the following comments regarding EU Fossil Fuel Grants:

- The Dutch do not have an anti-nuclear policy (like the Danes, Austrians, and Irish), but are against the EBRD project because they prefer a non-nuclear energy alternative and because of the cost.
- Many Dutch citizens (like the Germans) are uncomfortable with nuclear energy being so close to their borders.
- It was the Ukrainian government which insisted on making the linkage between closing Chornobyl and paying for R4/K2; the GOU said that the Ukrainians would close Chornobyl if they received the money to complete R4/K2.
- The Dutch would probably consent to providing such grants to help out the Ukrainians during the winter, but agree that there should be no link with the K2/R4. The grants must fit in with a responsble energy policy, however.
- in with a responsble energy policy, however.

 The Dutch agree on the necessity for power sector reform, which would generate enough money to allow the Ukraine to purchase its own fuel needs. Some experts believe that the Ukraine has a vast overcapacity and that the money would be much better spent on upgrading the electricity sector.

 SCHNEIDER